

**NICARAGUA**

**ARAP**

**Agriculture Reconstruction Assistance  
Program**

**Performance Monitoring Plan**

**Prepared by:  
Bernard Delaine**

*Submitted by:*  
**Chemonics International Inc.**

*To:*  
**United States Agency for International Development  
Managua, Nicaragua**

Under RAISE IQC Contract No. PCE-I-00-99-00003-00  
Task Order No. 802  
July 2000

## **Table of Contents**

### Introduction

1. Purpose of the work
2. The Performance Monitoring Plan
3. Templates for the Monitoring system
4. Monitoring Training Activities
5. Templates for global monitoring training activities
5. Monitoring of small Grants and MOUs
6. Sample Template for Small grants and MOUs

## **Introduction:**

The Nicaraguan Agricultural Reconstruction Assistance Program (ARAP) is a two year bilateral initiative agreement between the Government of Nicaragua and the United States Agency for International Development. It focuses on managing a subcontract-based assistance program to local agricultural NGOs, producer associations and cooperatives. Its objective is to design and implement a rapid implementation program that provides strategic technical assistance and funds to local organizations (NGOs, producer associations, and cooperatives) to conduct activities aiming at helping flood-stricken small farmers start afresh, replace their lost assets, reconstitute their farm's productivity, and increase their future income. These activities also contribute to the accomplishment of the USAID strategic Objective "Hurricane Mitch Reconstruction Program", SPO Result 2 "Economic Livelihood of Farmers and Micro-entrepreneurs in Mitch-affected Areas Restored," and its lower-level intermediate results.

## **Purpose of this work.**

The purpose of this work is to assist the ARAP team to establish the Monitoring and Evaluation System to be used by the ARAP Project to annually assess and measure ARAP progress toward achieving its overall economic development goal of reducing food security risk, increasing small and medium farmers' income, and contributing to achieving USAID's special Objective No 2: Hurricane Mitch Reconstruction. The system developed will serve to track, measure, and report on projects inputs and outputs, expected results and results on performance indicators to be reported on a quarterly, semi-annual, and annual reports.

## **The Performance Monitoring Plan**

The Performance Monitoring Plan (PMP) has several distinct but interrelated purposes. The PMP is designed to communicate information on the state of resource base within areas of interest and should be useful for guiding resource programming and assessing program effectiveness. The heart of the program performance monitoring system should be the identification and tracking of indicators and targets that will enable an assessment of the three major component of the program:

1. Agricultural Market Development and Marketing
2. Agricultural Production
3. Agricultural Sector Policy.

The PMP seeks to provide information that will demonstrate progress toward USAID/Nicaragua's SpO Result 1 and 2 and ARAP contribution to this objective. It also presents a series of indicators and benchmarks by which progress toward meeting contractual obligations and output can be measured.

For each component of the project, Market, Production, and Policy, the following templates, in Excel, have been developed:

1. System
2. Plan
3. Results
4. Chronogram

The **System** Template include information on:

- The activities to be performed
- The output/deliverables
- Time
- Expected results
- Performance indicators
- Support to USAID objective

For each component the activities are grouped under their main objective.

The **Market Development and Marketing Component** has 3 objectives:

1. Objective 1: Identify new markets, outlets, and distribution channels for current and promising new crops for Nicaragua's agriculture commodities, particularly high value crops.
2. Objective 2: Develop market contacts and create linkages between Producers, Processors, and Investors
3. Objective 3: Develop a Market Information data base and disseminate information widely.

The **Agricultural Production Component** has 4 objectives.

1. Objective 1: Promote the use of improved seeds, nursery, and stock production systems, particularly for non-traditional and high-value crops.
2. Objective 2: Meet market requirements by promoting modern technology for production, handling, and marketing of agricultural crops
3. Objective 3: Promote production contracts, co-investment arrangements, and linkages between Growers and Processors.
4. Objective 4: Promote development of forestry-based and natural resource-based enterprises.

The **Agricultural Sector Policy Component** has 5 objectives.

1. Objective 1: Facilitate agricultural policy analysis, formulation and advocacy to foster dialogue between the public and private sectors.
2. Objective 2: Conduct policy regulatory analysis and advocacy to increase incentives for private investment in the agricultural sector.

3. Objective 3: Identify ways to help reduce high transaction costs to increase competitiveness of the Nicaragua agricultural market
4. Objective 4: Conduct forums on topical agricultural issues
5. Objective 5: Conduct educational campaign on policies, approaches, program implementation issues to support sound agribusiness environment.

Each objective will be reached through the accomplishment of a specific set of activities, which are detailed under their objectives. A benchmark ( output/deliverable) with its time frame is mentioned for each activity, with its respective expected results. A performance indicator has been defined to measure the expected results, and the last category refers to specific USAID results. The system has to be kept flexible; over time other indicators can be added to the list, some others deleted and replaced by others which will appear to be more meaningful, or more relevant.

The **second template**, called “Monitoring Plan”, has the same structure. However, for each Performance Indicator, an operational definition and its unit of measure is defined. It is very important to give an operational definition of the performance indicators: it is the only way to ensure that every one has the same understanding of what is being measured and how.

The following category is “Data source” so that there is no ambiguity where the information comes from. The “Method/approach of data collection” gives the necessary information on how the information was collected, so that we know how reliable this information is. Finally the frequency for data collection is specified, and who is responsible to get that information.

The **third template** “results” is a measure of the performance indicators. It allows the project to assess and quantify the results of its activities and their impact, over time. Therefore, it is important to compare the results with a base line (when available) or to a specified target for each year of the Project. This is a way to assess the effectiveness and the Performance of the Project.

The **fourth** template is a chronogram of the activities planned under each component for the two years of the project. This complements the other templates in that it makes it easy to assess if the activities were carried out as planned. . On a quarterly basis, it is easy to check if the activity started on time, if it has been delayed, if it is an on-going activity, or if the activity is completed.

These templates constitute the Project Monitoring Plan. They can be easily updated to take into account the changes in activities which might occur during the life of the project, since they have been developed using Excel, which is a user friendly program known by every project member.

## Market component

## Component 1 : Market Development and Marketing - Chronogramm

## Monitoring of activities

Activities	Year 2000												Year 2001												Status as of 30-Jun-00
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
<b>Objective 1. Identify new market outlets and distribution channels for current and promising new crops for Nicaragua's agriculture commodities, particularly high value crops</b>																									
1. Conduct a market assesment study, high value crops							XX																		
Status																									
2. Conduct specific market studies								XXX	XXX	XXX	XXX	XXX													
Status																									
3. Conduct a Central American Market Opportunity Study						XXX	XXX	XX																	
Status																									delayed
4. Conduct focused training and outreach through workshops or seminars								XXX	XXX	XXX	XXX	XXX													
Status																									
<b>Objective 2. Meet Market Requirements by Promoting Modern Technology for Production, Handling and Marketing of Agricultural Crops</b>																									
1. Develop a list of market oriented study tour to be implemented			XXX																						
Status			XXX																						completed
2. Organization of observational Tours and Trade shows	XX		XX	X		XXX			XXX	XXX	X		XX	X											
Status	XX		XX	X		XXX							XX	XX	XX										on schedule
3. Conduct Trade Missions			XX				X	XX				XX	XX	XX	XX										
Status			XX																						on schedule
4. Conduct Investor Missions	X				X			XX		XX			XX		XX		XX		XX						
Status	X				X																				on schedule
<b>Objective 3. Promote production contracts, co-investment arrangements and linkages between growers and processors</b>																									
1. Develop a market system information for Nicaragua with FHIA								XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Status																									
2. Strengthen APENN's market analytical capabilities								XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Status																									
<b>4. Strengthen local and regional agricultural producer associations, cooperatives and NGOs to supply demand driven market services to their members</b>																									
1. Prepare organizational strengthening plan for targeted organizations										XX															
Status																									
2. Examine feasibility of creating in-country regional marketing organizations									XX																
Status																									
3. Creation of a marketing organization								XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Status																									
4. Develop a coffee competitiveness initiative								XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
Status																									

## Production Component

### Component 2: Production Monitoring Plan

Activity	Performance Indicator	Indicator definition and unit of measure	Data Source	Method/Approach for Data Collection	Data Acquisition by Project	
Frequency						Responsible
Objective 1. Promote the use of improved seeds, nursery stock and production systems, particularly for non traditional and High value crops.						
1. Introduce new planting stock for ornamental plants and tropical fruits	Number of producers groups and producers receiving planting stock	<u>Producers groups</u> : A group of farmers associated to produce a specific crop <u>New</u> : A group formed or supported by ARAP <u>Unit</u> : Number of Associations <u>Unit</u> : Number of Producers	Report of Field Operations Manager	Monthly Report of Grantee	Monthly	DCOP
2. Program to introduce alternative crops	Volumes of alternative crops produced and marketed	<u>Alternative crops</u> : They include Okra, (and others to be determined) <u>Unit</u> : volume in metric tons	Report of Field Operations Manager	Monthly Report of Grantee	Quarterly	DCOP
3. Improve planting stock and processing for coffee	Volume of high quality coffee sold to the regular and specialty market	<u>high quality coffee</u> : quality as defined by price difference vis a vis NY "C" Contract <u>Unit</u> : volume in metric tons	Coffee Associations	Direct Requests	Quarterly	DCOP
4. Conduct pilot commercial trial of tilapia fillet production with a local fishery	Volume and value of new sales export per year	<u>new sales export</u> : total export sales <u>Unit</u> : volume in pounds Value in US\$	Grantee	Monthly Report of Grantee	Monthly	DCOP
5. Assistance to producers groups to introduce new seed variety and to improve their production processes for basic grains	Number of individuals farmers engaged in these activities	<u>Individual farmers</u> : Every individual farmer <u>These activities</u> : utilization of new seed variety <u>Unit</u> : Number	Grantee	Monthly Report of Grantee	Monthly	DCOP
Objective 2. Meet Market Requirements by Promoting Modern Technology for Production, Handling and Marketing of Agricultural Crops						
1. Introduction of new technology and production systems for organic fruit and vegetables	Number of members and groups who have received technical assistance, training and access to new technology	<u>Members</u> : those farmers engaged in the referenced activity <u>Unit</u> : Number of groups <u>Unit</u> : Number of farmers	Training Coordinator, Consultant Reports, Grantees	Monthly Report of Grantee, Other Reports	Monthly	DCOP, Training Coordinator
2. Introduction of new technology to produce de-seeded and pulp pitahaya	Volume of de-seeded pitahaya produced per year	<u>Unit</u> : volume in metric tons	Report of Field Operations Manager	Report from Processors	Quarterly	DCOP, Field Operations Manager
3. Introduction of new technology and production systems for cacao	Volume and value of cacao productions in RAAN	<u>New technology and production systems</u> : Fermentation , drying patios, improved seed <u>Unit</u> : volume in qq. Value in US\$	Grantee, Report of Field Operations Manager	Monthly Report of Grantee, Other Reports	Monthly	DCOP
4. Establishment of a Med-Fly Lab and protocols to provide certification of admissibility for tropical and fresh fruit	APHIS Protocol in process with ARAP Assistance	ARAP provided laboratory equipment installed, Technical Assistance provided as needed. <u>Unit</u> : yes or no	Grantee, Report of Field Operations Manager	Monthly Report of Grantee, Other Reports	Monthly	DCOP
5. Access to new technology and processing practices for specialty coffee	Number of associations who have acquired improved equipment to improve quality and quantity of specialty coffee	<u>Improved Equipment</u> : Equipment such as toasters, grinders, etc. as recommended by ARAP coffee sector experts <u>Unit</u> : Number	Report of Field Operations Manager	Report from Associations	Quarterly	DCOP
6. Assistance in improving genetic characteristics of small and medium livestock herds	Number of livestock producers who have received improved genetic material for artificial insemination	<u>Received Improved Genetic Material</u> : Number of inseminations performed using ARAP recommended genetic material <u>Unit</u> : Number	Grantee, Report of Field Operations Manager	Monthly Report of Grantee	Monthly	DCOP
Objective 3. Promote production contracts, co-investment arrangements and linkages between growers and processors						
1. Identification of co-arrangement to be pursued	Report	<u>Co-arrangement</u> : Project-identified investment opportunities <u>Unit</u> : yes or no	Consultant Report	Consultant Report	One-time event	COP
2. Arrange production contracts	Number of production contract signed	<u>Production contract</u> : Formal agreements signed between <u>Unit</u> : Number	Grower's Report	Report from Field Supervisor	Monthly	COP
3. Promote co-investment arrangements	Number of co-investment arrangement signed	<u>Co-investment arrangement</u> : Project identified investment contract <u>Unit</u> : Number	Grower's Report	Report from Field Supervisor	Monthly	COP
4. Promote linkage between growers and processors	Number of linkages established	<u>Promote Linkage</u> : Producers participate in fairs, symposium, commercial events and develop contacts with potential investors <u>Unit</u> : Number	Training Coordinator, Consultant Reports, Grantees	Monthly Report of Grantee, Training Coordinator, Other Reports	Monthly	DCOP
Objective 4. Promote development of forestry based and natural resource-based enterprises						
1. Analysis of forestry based and natural resource based enterprises and products	Report	Report <u>Unit</u> : yes or no	Consultant Report	Consultant Report	One-time event	DCOP
2. Conduct feasibility study on forestry based products to support an extraction process on a sustainable basis	Number of feasibility studies conducted	<u>Feasibility Study</u> : study defining economic potential of forest product under study <u>Unit</u> : Number	Consultant Reports	Consultants Report	One-time event per product	DCOP

## Policy Component

### Component 3: Policy Monitoring System

Activity	Output/deliverables	Time	Expected results	Performance Indicators	Support to
<b>Objective 1: Facilitate Agricultural Policy Analysis, Formulation and Advocacy to Foster Dialogue Between the Public and Private Sectors</b>					
<i>For mention only: All activities under this objective have been transferred to IICA</i>					
<b>Objective 2. Conduct Policy Regulatory Analysis and Advocacy to Increase Incentives for Private Investment in the Agricultural Sector</b>					
1. Identification of commodities to be examined	List of commodities to be examined	July 2000	Selection of commodities for project case studies	Number of commodities examined	Additional Activity C (3)
2. Preparation of selected case studies	Selected case studies have been prepared	Oct. 2000	Case studies serve as a tool for the private sector to effectively dialogue with the public sector to advocate changes on the policy framework, regulator structure or incentive regime	Number of case studies prepared	Additional Activity C (3)
3. Conduct a series of Workshops	A series of workshops conducted to widely disseminate the results of the case studies	Dec 2000	Dissemination of case studies	Number of workshops conducted	Additional Activity C (3)
<b>Objective 3. Identify Ways to Help Reduce High Transaction Costs to Increase the Competitiveness of the Nicaragua Agricultural Market</b>					
1. Conduct a survey of producers and exporters to identify common areas that hinder the competitiveness of Nicaraguan Agricultural products	Survey Results document	Dec 2000	Identification of priorities issues to be analyzed	Priority issues identified	Additional Activity C (3)
2. Analysis of priorities issues, based on the result of the survey	Document identifying and evaluating possible solutions	Dec 2000	3 priorities issues analyzed with specific recommendations made	Number of priority issues analyzed	Additional Activity C (3)
3. Analysis of the key constraints to the proper functioning of existing credit programs in Nicaragua	Document identifying and evaluating possible solutions	Dec 2000	5 producer associations have received assistance in applying for credit	Number of producer association receiving assistance to support project developed activities	Additional Activity C (3)
<b>Objective 4. Conduct Forums on Topical Agricultural Issues</b>					
1. Identification of topics of interest for training and seminars	Number of policy topics of interest	Dec. 2000	List of topics of interest for training and seminars	Report	Additional Activity C (3)
2. Conduct a series of workshops, seminars, briefings and related training to discussed key topical issues impacting the Nicaraguan Agricultural sector	Report on each training event	Dec. 2001	6 seminars, workshop of training activities conducted	Number of seminars, workshops and training activities	Additional Activity C (3)
<b>Objective 5. Conduct Educational Campaign on Policies, Approaches, Program Implementation Issues to Support Sound Agrobusiness environment</b>					
1. Assess the feasibility of organizing a private sector sponsored APG Forum	Feasibility assessment conducted	Sept. 2000	Serve as a venue for organizing bi-weekly or monthly talks on key topics of interest to the sector	Number of talks organized per year	Additional Activity C (3)
2. Work closely with the private sector and MAG-FOR to sponsor a series of public education and related communication activities	A series of public education and related communication activities have been conducted	Dec, 2001	Public and private agricultural sector have a better understanding of the importance and effects of sound policies on the development of a high-income agricultural sector	Number of public education and related communication activities performed	Additional Activity C (3)

## 4. Monitoring Training activities:

Although each training activity is monitored within the component where it belongs to, it is nevertheless convenient to have a special template which recapitulates all the training events conducted.

After each training event, it is sufficient to record on that template the theme of the training, where it took place and when, to which component it refers to and Which USAID results it supports. Then you have the number of participant, by gender, and finally one can report an evaluation score for the training event.

It is recommended that a standard evaluation training formed be developed, so that a score can be established for each training event, to measure its relevancy to the program, and how it contributes to improving the performance of the participants in their current of future activities.



## **Monitoring of small grants and Memorandum of Understanding**

The Monitoring system developed for monitoring ARAP activities and results should be adapted to monitoring Grants and MOUs to ensure that the recipient organizations implement their respective grant agreements, subcontract and MOUs in a responsible manner and in accordance with ARAP and USAID requirements.

A global system has been developed using a template which recapitulates all the grants and subgrants. The categories considered in this template are.

- Grant number
- Institutions (grantee)
- Amount of the grant
- Beginning and end of the grant
- Objective
- Which USAID results it supports
- The expected results of this grant and their respective performance indicators
- The targets set for the grants
- The Results at the end
- The percentage of performance.(ratio between the target and the results at the end)

An example of this template is given below, which needs to be completed as grants are signed and information becomes available.

However, each grantee must also be monitored on a regular basis during the life of the grant. The categories to be included in their monitoring plan are:

- Activities, detailing the tasks to be completed in a specific time frame
- Expected results for each activity
- Performance Indicator
- Target
- Result at end of grant

An example of the template is given on the following page.

Another template should be the chronogram of the activities and tasks to be implemented during the life of the grant.

Since ARAP cannot expect all the grantees to be able to elaborate their own monitoring plan, it is recommended that ARAP elaborate the system with each grantee, so that they can understand the process and forward all the necessary information on a timely basis.

## Sample templates for Small Grants and MOU's

ARAP - Monitoring of Small Grants Agreements											
Grant Number	Institution	Amount in C\$	Date		Objective	Support to	Expected result	Performance Indicator	Target	RESULT end of Grant	Performance %
			Beginning	end							
LG 001/00	Mision San Pablo de Tarso	2,944,705	22-05-22	21-10-01	Improved basic grain and horticulture production	SpO IR 2.1	Increased production and marketable surplus for communities and producers/families involved in project	Number of communitites involved	9		
								Number of individual producers	192		
SG 001/00	Mision San Pablo de Tarso	757,700	22-05-22	21-10-01	Improved basic grain and horticulture production	SpO IR 2.1	Increased production and marketable surplus for communities and producers/families involved in project	Number of communitites involved	9		